

# House File 458 - Introduced

HOUSE FILE 458

BY ISENHART

## A BILL FOR

1 An Act relating to solar energy storage capacity and ownership  
2 or purchase requirements applicable to certain electric  
3 utilities.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 476.6, Code 2021, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 22. *Solar energy storage capacity.* A  
4 rate-regulated electric utility may provide for solar  
5 energy storage capacity paired with solar energy facility  
6 installations in the state. Solar energy storage capacity  
7 based on electrical output may be credited to the electric  
8 utility's solar energy ownership or purchase requirements as  
9 provided in section 476.44, subsection 2. For purposes of this  
10 subsection, the economic development authority shall define by  
11 rule adopted pursuant to chapter 17A the meaning of the term  
12 "*storage*", consistent with the Iowa energy plan adopted by the  
13 authority in December 2016.

14 Sec. 2. Section 476.44, subsection 2, Code 2021, is amended  
15 to read as follows:

16 2. a. (1) An electric utility subject to [this subchapter](#),  
17 except a utility that elects rate regulation pursuant to  
18 section 476.1A, shall ~~not~~ be required to own or purchase, at  
19 ~~any one time, more than~~ from solar energy facilities located in  
20 this state, its share of one hundred five megawatts of power  
21 from alternate energy production facilities or small hydro  
22 facilities by January 1, 2023, and two thousand five hundred  
23 megawatts of power by January 1, 2027, at the rates established  
24 pursuant to [section 476.43](#). The board shall allocate the ~~one~~  
25 ~~hundred five megawatts~~ solar energy ownership or purchase  
26 requirements based upon each utility's percentage of the total  
27 Iowa retail peak demand, for the year beginning January 1,  
28 ~~1990~~ 2021, of all utilities subject to [this section](#). If a  
29 utility undergoes reorganization as defined in [section 476.76](#),  
30 the board shall combine the allocated purchases of ~~power~~ solar  
31 energy for each utility involved in the reorganization.

32 (2) In satisfying the solar energy ownership or purchase  
33 requirements pursuant to subparagraph (1), a minimum of ten  
34 percent of the energy produced or purchased shall be produced  
35 or purchased from solar energy facilities with a nameplate

1 generating capacity of twenty kilowatts or less.

2     *b.* Notwithstanding the ~~one hundred five megawatt maximum~~  
3 solar energy ownership or purchase requirements established  
4 in paragraph "a", the board may increase the amount of ~~power~~  
5 solar energy that a utility is required to own or purchase at  
6 the rates established pursuant to [section 476.43](#) if the board  
7 finds that a utility, including a reorganized utility, exceeds  
8 its ~~1990~~ 2021 Iowa retail peak demand by twenty percent and  
9 the additional ~~power~~ solar energy the utility is required to  
10 purchase will encourage the development of ~~alternate energy~~  
11 ~~production facilities and small hydro~~ solar energy facilities.  
12 The increase shall not exceed the utility's increase in peak  
13 demand multiplied by the ratio of the utility's share of the  
14 ~~one hundred five megawatt maximum~~ solar energy ownership or  
15 purchase requirements to its ~~1990~~ 2021 Iowa retail peak demand.

16 EXPLANATION

17             The inclusion of this explanation does not constitute agreement with  
18             the explanation's substance by the members of the general assembly.

19     This bill provides for solar energy storage capacity  
20 and specifies certain solar energy ownership or purchase  
21 requirements applicable to electric utilities.

22     The bill allows a rate-regulated electric utility to provide  
23 for solar energy storage capacity paired with solar energy  
24 facility installations in Iowa. Storage capacity based on  
25 electrical output may be credited to the utility's solar energy  
26 ownership or purchase requirements as provided in the bill.  
27 The Iowa economic development authority shall define by rule  
28 the meaning of the term "storage", consistent with the Iowa  
29 energy plan adopted by the authority in December 2016.

30     Current law requires electric utilities to own alternate  
31 energy production facilities or small hydro facilities located  
32 in Iowa, or to enter into long-term contracts to purchase  
33 electricity from such facilities. An electric utility is not  
34 required to own or purchase, at any one time, more than its  
35 share of 105 megawatts of power from such facilities.

1     The bill modifies the alternate energy ownership or purchase  
2 requirement to make it applicable strictly to solar energy  
3 derived from solar energy facilities located in Iowa, and  
4 requires an electric utility to own or purchase its share of  
5 105 megawatts of power by January 1, 2023, and 2,500 megawatts  
6 of power by January 1, 2027. Of these amounts, a minimum of  
7 10 percent of the energy produced or purchased shall be from  
8 solar energy facilities with a nameplate generating capacity  
9 of 20 kilowatts or less. The bill makes conforming changes to  
10 related provisions.